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DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 25, 1993

TO: Pamela Grubaugh-Littig, Permit Supervisor

FROM: William J. Malencik, Reclamation Specialist *WJM*

RE: Division Order 92B, Hidden Valley Coal Company, Hidden Valley Mine, ACT/015/007, Folder #2, Emery County, Utah

This memo has reference to Hidden Valley Coal Company's response of December 17, 1992 to aforementioned Division Order dated November 16, 1992.

ANALYSIS

The Division Order concerned seven drill holes. The record is now clear that: (a) drill holes 1, 2, 3, and 7 are water wells currently under the control of Hidden Valley Coal Company. The water filing application lapsed because required proofs were not submitted to the state engineer timely. Hidden Valley Coal Company in November of 1992 in several letters, paid a filing fee and requested time extensions to perfect proof of use. The state engineer has not acted on their request. It will have to be published in a newspaper for public review and comments before the state engineer will act on the request. Should the time extension not be approved, abandonment procedures would be undertaken within 90 days of final notice. If the extension is granted on the basis of future needs associated with the Hidden Valley Coal Mine, no further action is required at this time.

(b) Hidden Valley Coal Company stated that drill holes 4, 5, & 6 were plugged with five feet of concrete in 1986 as part and parcel of the reclamation work. A letter from Frank Jensen dated December 15, 1992 who was on the mine site and supervised Nielsen Construction Company in sealing drill holes 4, 5, & 6 recalled the drill holes were sealed.

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Recommendations

1) Defer any further action on drill holes 1, 2, 3 & 7 since the issue on a time extension to submit proof of beneficial use is currently pending with the state engineer.

2) Request Hidden Valley Coal Company to provide the Division with a copy of the state engineer's final notice on the request for extension. This must be done within ten days after receipt of such notice from the state engineer.

3) Division hydrologist accompanied by a representative of the Hidden Valley Coal Company conduct a field examination to verify that drill holes 4, 5, & 6 have been sealed. It is in the best interest of all parties that this action take place at this time rather than deferring action until final bond release as provided in R645-301-731.400.

4) The applicant update the PAP with supporting documents submitted on December 17, 1992 together with other documents that are the culmination following actions on items 2 and 3 above.

Since the required field action has purportedly been completed on drill holes 4, 5, & 6, this matter is now postured for final action by Hidden Valley Coal Company and the Division.

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